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Evening Newspapers - Thursday, 14th May, 1964

Morning Newspapers - Friday, 15th May, 1964

Broadcasting and Television - 11 a.m., Thursday, 14th May, 1964

RETAIL PRICES AND BASIC WAGE RATES - MARCH QUARTER, 1964

CONSUMER PRICE INDEX

The Consumer Price Index measures quarterly, for each capital city separately, the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, furniture, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licenses, newspapers, postal and telephone services, hairdressing, dry cleaning, and various other items.

The various commodities and services have been combined into groups and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

The indexes measure price movements in each city individually. They do not provide a comparison of the retail price level in any city with the retail price level of any other city. The base of the index for each capital city and for the weighted average, six capitals, is year 1952-53 = 100.0. Group indexes also have separate bases for each group.

Compared with December quarter, 1963, the Brisbane Consumer Price Index for March quarter, 1964, increased by 0.8 per cent from 128.2 to 129.2. This compared with a decrease of 0.2 per cent for the previous quarter, and was the greatest quarterly increase since an upward movement of 1.3 per cent in March quarter, 1961. For the year ended March, 1964, the index increased by 1.1 per cent.

Higher potato and meat prices were the principal reasons for the increase in the Food Group for the quarter, the index number rising by 2.0 per cent from 131.0 to 133.6. In addition to potatoes and meat, higher prices were recorded for eggs and onions. There were numerous smaller fluctuations for many less important items, but the overall movement for these items was slightly upwards.

The Clothing and Drapery Group index rose for the quarter from 117.6 to 117.7. This represented an increase of 0.1 per cent.

There was also an increase of 0.1 per cent for the Housing Group, chiefly because of higher rents. This index rose from 145.0 to 145.2.

The Household Supplies and Equipment Group index increased by 0.2 per cent from 111.5 to 111.7. Higher gas prices were mainly responsible for the increase.

For the Miscellaneous Group there was an increase in the index from 135.0 to 135.4, a rise of 0.3 per cent. The increase in the price of public telephone calls was the most significant variation in this group.

The Consumer Price Index increased in all capital cities from December quarter, 1963, to March quarter, 1964. Percentage variations were as follows:- Perth, +0.9; Brisbane, +0.8; Adelaide, +0.7; and Sydney, Melbourne, and Hobart, +0.6. The weighted average of the six capital cities showed an increase of 0.6 per cent.

Since the base year, 1952-53, the rise in the retail price level has been greatest in Hobart and smallest in Adelaide. Percentage increases from 1952-53 to March quarter, 1964, were as follows:- Hobart, 29.8; Brisbane, 29.2; Melbourne, 27.1; Sydney, 24.6; Perth, 24.2; and Adelaide, 23.5. The rise in the weighted average for the six capital cities was 25.8 per cent. (It should be noted that these figures merely indicate rates of price rise in the separate cities, and do not represent in any way the relative absolute price levels in the different cities.)

COMMONWEALTH AND STATE BASIC WAGE RATES

Commonwealth and State basic wage rates are reviewed by the appropriate Industrial Authorities from time to time - in some cases at fairly regular intervals and in others as a result of special applications for variation of the wage rate. The last variation made by the Commonwealth Conciliation and Arbitration Commission was an addition of 12s. to the male basic wage, with corresponding adjustments to the female and juvenile rates, and operated from 7th July, 1961.

The Queensland Industrial Conciliation and Arbitration Act of 1961 abolished automatic quarterly reviews of the State basic wage, but the Industrial Commission was empowered to vary the wage after a general hearing on the applications of interested parties. Following such applications the Commission increased the basic wage by 4s. for males and 3s. for females as from 29th May, 1961, and later, by 2s. for males and 1s. 6d. for females as from 6th May, 1963.

Current Commonwealth and State basic wage rates are shown in the following table.

Basic Wage Rates - Australian Capital Cities

Capital City	Commonwealth Basic Wage			State Basic Wage		
	Males	Females	Date of Operation ^a	Males	Females	Date of Operation
	£ s. d.	£ s. d.		£ s. d.	£ s. d.	
Brisbane ..	13 10 0	10 2 6	7.7.61	14 6 0	10 14 6	6.5.63
Sydney ..	14 15 0	11 1 0	7.7.61	15 5 0	11 9 0	1.5.64 ^a
Melbourne	14 7 0	10 15 0	7.7.61	14 7 0	10 15 0	July, 61 ^b
Adelaide ..	14 3 0	10 12 0	7.7.61	14 3 0	10 12 0	10.7.61 ^a
Perth ..	14 8 0	10 16 0	7.7.61	15 4 2	11 8 2	27.4.64
Hobart ..	14 14 0	11 0 6	7.7.61	14 14 0	11 0 6	July, 61 ^b

^a From the first pay period commencing on or after the date shown.

^b Most Wages Boards adopted the Commonwealth rate during July, 1961.

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12th May, 1964

Table 1 - Consumer Price Index - Total and Group Indexes - Brisbane
(Year 1952-53 = 100.0)

Period			Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscell- aneous	All Groups
Year -								
1953-54	..	..	103.4	100.9	101.6	101.7	101.7	102.0
1954-55	..	..	104.1	101.3	104.7	102.5	102.0	102.9
1955-56	..	..	107.7	102.2	110.5	102.6	108.0	106.3
1956-57	..	..	111.5	104.7	118.4	106.5	118.9	112.0
1957-58	..	..	113.0	107.8	123.9	108.3	120.5	114.4
1958-59	..	..	119.8	109.4	128.4	109.0	123.6	118.2
1959-60	..	..	124.2	111.9	132.6	110.6	125.6	121.2
1960-61	..	..	130.4	115.1	137.6	111.3	129.5	125.4
1961-62	..	..	130.8	116.7	140.5	113.0	133.3	127.3
1962-63	..	..	129.8	117.0	144.0	112.8	134.4	127.7
Quarter -								
1963 - March	..		130.3	117.0	144.2	112.5	134.3	127.8
June	..		130.2	117.0	144.5	112.9	134.4	127.9
September	..		131.5	117.4	145.1	111.2	135.2	128.4
December	..		131.0	117.6	145.0	111.5	135.0	128.2
1964 - March	..		133.6	117.7	145.2	111.7	135.4	129.2
Percentage Increase or Decrease (-) on Previous Quarter								
Quarter -								
1963 - March	..		0.6	-	0.1	-0.3	-0.1	0.2
June	..		-0.1	-	0.2	0.4	0.1	0.1
September	..		1.0	0.3	0.4	-1.5	0.6	0.4
December	..		-0.4	0.2	-0.1	0.3	-0.1	-0.2
1964 - March	..		2.0	0.1	0.1	0.2	0.3	0.8

Table 2 - Consumer Price Index - Capital Cities
(Year 1952-53 = 100.0 for Each City and for Six Capitals)

As the base for each city is 100.0, the indexes in the table below do not indicate relative price levels as between cities, but they may be used to compare relative price movements in the various cities.

Period			Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Weighted Average, Six Capitals
Year -									
1953-54	..	..	101.6	102.0	102.0	102.3	103.0	105.0	102.0
1954-55	..	..	102.3	102.0	102.9	103.5	105.2	104.9	102.6
1955-56	..	..	105.7	108.1	106.3	106.9	107.9	110.2	106.9
1956-57	..	..	112.9	114.0	112.0	111.1	112.9	116.9	113.1
1957-58	..	..	114.5	114.4	114.4	111.9	113.6	117.0	114.2
1958-59	..	..	115.3	116.6	118.2	114.5	114.7	118.7	116.0
1959-60	..	..	117.8	120.0	121.2	118.0	116.9	120.8	118.9
1960-61	..	..	122.1	125.9	125.4	122.9	121.2	127.5	123.8
1961-62	..	..	122.6	126.3	127.3	122.5	121.6	128.1	124.3
1962-63	..	..	123.2	126.2	127.7	122.1	122.2	128.0	124.5
Quarter -									
1963 - March	..		123.3	126.0	127.8	121.9	122.3	128.0	124.5
June	..		123.7	126.4	127.9	122.5	122.8	128.2	124.9
September	..		123.7	126.7	128.4	122.8	122.7	128.8	125.1
December	..		123.9	126.4	128.2	122.7	123.1	129.0	125.0
1964 - March	..		124.6	127.1	129.2	123.5	124.2	129.8	125.8